

**INTERLOCAL AGREEMENT**

THIS INTERLOCAL AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2004 by and between the CITY OF LINCOLN, LANCASTER COUNTY, NEBRASKA, a municipal corporation (hereinafter referred to as "Lincoln"), and the VILLAGE OF MALCOLM, LANCASTER COUNTY, NEBRASKA, a municipal corporation (hereinafter referred to as "Malcolm"), WITNESSETH:

WHEREAS, Lincoln has entered into a Lottery Operator Agreement with Lincoln's Big Red Lottery Services Ltd., a Nebraska limited partnership (hereinafter referred to as "Big Red"), for the operation of a keno lottery by Lincoln; and,

WHEREAS, it is in the best interests of each of the parties hereto to enter into this Interlocal Agreement to provide for keno lottery operations in Malcolm; and,

WHEREAS, the governing body of each of the aforesaid governmental subdivisions has duly adopted an Ordinance or Resolution authorizing the execution of this Interlocal Agreement pursuant to the provisions of the Interlocal Cooperation Act (Section 13-801 to 13-827, R.R.S. 1943, as amended).

NOW, THEREFORE, pursuant to the authority of said Act of the Legislature of the State of Nebraska and pursuant to the authority and direction of the ordinances and resolutions hereinabove referred to as adopted by each of the governmental subdivisions who are parties hereto, and in consideration of the mutual covenants and undertakings herein contained, IT IS HEREBY AGREED by and between each of the aforesaid governmental subdivisions, and each of them, and each of the successors, as follows:

1. **Duration.** The term of this agreement shall be for a period of five (5) years from the date of execution hereof, unless sooner terminated. This agreement may be terminated prior to the expiration of such term by adoption of resolutions to that effect by either of the governmental subdivisions participating herein who have executed this agreement. The termination of the agreement shall not be made effective earlier than thirty (30) days after the adoption of the resolution of termination by the governmental subdivision.

2. **Administration.** Due to the nature of the contract and the responsibilities of each governmental subdivision, it is determined that it is not necessary to create any separate legal or administrative entity for administration of the agreement. In the alternative, administration of the agreement shall be the responsibility of the Finance Director of Lincoln and the Village Chairman of Malcolm.

3. **Purpose.** The purpose of this agreement is to provide for sales outlet locations for the Lincoln keno lottery within Malcolm. The responsibilities of each of the parties hereto are defined in this agreement.

4. **Duties of the City of Lincoln.** Lincoln agrees to allow Big Red to establish sales outlet locations for the operation of the Lincoln keno lottery within Malcolm. All lottery operations in Malcolm shall be pursuant to the agreement entered into between Lincoln and

Big Red. Lincoln shall pay Malcolm 6.0% of the gross lottery proceeds generated at sales outlet locations within Malcolm.

5. **Duties of the Village of Malcolm.** Malcolm agrees to allow operation of sales outlet locations of the Lincoln lottery within Malcolm pursuant to the terms and conditions of the agreement entered into between Lincoln and Big Red. Without limiting the generality of the foregoing, Malcolm hereby adopts the satellite criteria incorporated into such agreement as the satellite criteria for Malcolm, with such changes in reference as may be required by the circumstances. Malcolm further agrees to hold Lincoln harmless from any and all claims, causes of action, liability, expenses, attorney's fees and costs incurred as a result of keno lottery operations within Malcolm.

6. **Budgets.** It is not necessary to create a separate budget for this agreement and each party hereto shall include their share of any expense involved in their respective budgets.

7. **Severability.** If any provision of this agreement is determined to be invalid, such invalidity shall not affect the other provisions of this agreement which can be given effect without the invalid provisions. Each provision of this contract is declared to be severable.

IN WITNESS WHEREOF the governmental subdivisions who are parties to this Agreement have, on the day and year first above written, caused this agreement to be executed by the respective officers duly authorized and have caused their respective seals to be affixed hereto.

ATTEST:

CITY OF LINCOLN,  
LANCASTER COUNTY, NEBRASKA,  
a municipal corporation,

\_\_\_\_\_  
CITY CLERK

By: \_\_\_\_\_  
MAYOR

ATTEST:

VILLAGE OF MALCOLM,  
LANCASTER COUNTY, NEBRASKA  
a municipal corporation,

\_\_\_\_\_  
VILLAGE CLERK

By: \_\_\_\_\_  
VILLAGE CHAIRMAN